

Message Text

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ACTION INT-05

INFO OCT-01 NEA-10 ISO-00 EB-08 /024 W

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R 121216Z AUG 77

FM AMEMBASSY NEW DELHI

TO USDOC WASHDC

INFO SECSTATE WASHDC 5391

AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

UNCLAS NEW DELHI 11437

DEPT PLEASE PASS TO USBURMINES AND USGS

E.O. 11652: N/A

TAGS: EMIN BEXP IN

SUBJECT: MAJOR PROJECTS; NICKEL AND COBALT PLANT

1. THE GOI DEPARTMENT OF MINES HAS RECENTLY CONTACTED TWO US AND TWO CANADIAN FIRMS FOR POSSIBLE TECHNICAL COLLABORATION IN SETTING UP OF A NICKEL AND COBALT EXTRACTION PLANT BASED ON LATERITE NICKEL DEPOSITS IN ORISSA. THE PROJECT INITIALLY CALLS FOR AN ECONOMIC FEASIBILITY STUDY TO DETERMINE THE SIZE OF THE PLANT. THE COMPANY SELECTED FOR THE PROJECT WOULD PREPARE THE STUDY. THE ESTIMATED COST OF THE PROJECT IS BETWEEN DOLS 100-150 MILLION.

2. THE PROJECT WOULD BE IN COLLABORATION WITH AN INDIAN PUBLIC SECTOR COMPANY TO BE SELECTED BY THE GOI. FREE FOREIGN EXCHANGE WOULD BE AVAILABLE FOR THE IMPORT OF PLANT AND EQUIPMENT, THE CONSULTANCY FEES AND FOR THE OPERATION OF THE PLANT FOR A GIVEN PERIOD.

3. NICKEL CONSUMPTION IS PRESENTLY ABOUT 5,000 METRIC UNCLASSIFIED

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TONS (MT). THIS IS EXPECTED TO DOUBLE UPON COMPLETION OF THE SALEM STAINLESS STEEL PLANT. PRODUCTION FROM THE PROPOSED PLANT IS FOR INTERNAL USE ONLY.

4. THE PLANT WOULD BE BASED ON THE LATERITE NICKEL DEPOSITS IN THE SUKINDA AREA OF ORISSA. THE ORE TYPICAL LIMONITIC VARIETY, IS RELATIVELY LOW IN MGO, CR2O3, SIO2 AND AL2O3,

BUT HIGH IN Fe_2O_3 . THE PROVED RESERVES ARE ROUGHLY 15 MILLION MT AT A CUTOFF GRADE OF 0.9 PERCENT; 18.5 MILLION MT AT 0.7 PERCENT; AND 22.5 MILLION MT AT 0.5 PERCENT. THE PROVED AND PROBABLE RESERVES ARE REPORTED TO BE 23.2 MILLION MT, 33 MILLION MT AND 45.4 MILLION MT AT THE CUTOFF GRADES OF 0.9 PERCENT, 0.7 PERCENT AND 0.5 PERCENT RESPECTIVELY. FOR THESE SAME CUTOFF GRADES THE AVERAGE NICKEL CONTENT IS 1.18 PERCENT NI, 1.06 PERCENT NI AND 0.94 PERCENT NI. AT THE LOWER LEVELS THE DEPOSIT IS OF A SERPENTINE TYPE WHICH HAS NOT BEEN PROVED OR TAKEN INTO CONSIDERATION IN THESE ESTIMATES. THE COBALT CONTENT RANGES FROM TRACE TO 0.45 PERCENT.

5. THE GOI HAS REQUESTED THE EMBASSY TO ENCOURAGE THE US FIRMS TO RESPOND AS SOON AS POSSIBLE TO THIS INQUIRY. THE US FIRMS INCLUDE AMAX INC. GREENWICH CONN., AND FREEPORT MINERALS, NEWYORK, NY. THE TWO CANADIAN FIRMS WERE NOT IDENTIFIED, BUT LIKE THE US FIRMS THEY WERE THE ONLY OTHER ONES REPORTED TO POSSESS THE OPERATIONAL TECHNOLOGY TO PROCESS THIS PARTICULAR TYPE OF LATERITIC NICKEL ORE.

6. USDOC MAY WISH TO PASS THE ABOVE INFORMATION TO THE US FIRMS. LETTERS SOLICITING THEIR INTEREST WERE MAILED BY THE GOI ON AUGUST 10, 1977. INCLUDED WERE BASIC GEOLOGICAL DATA ALONG WITH THE GENERAL PARAMETERS FOR THE FEASIBILITY REPORT. THE GOI HAS UNDERTAKEN DETAILED STUDIES OF THE UNCLASSIFIED

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GEOLOGY AND MINING AREA WHICH WOULD BE MADE AVAILABLE TO THE CONTRACTOR. THE FIRMS SHOULD CONTACT MR. J. MARWAHA, JOINT SECRETARY MINISTRY OF STEEL AND MINES, GOVERNMENT OF INDIA, NEW DELHI, INDIA.GOHEEN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TECHNICAL ASSISTANCE, COBALT, NICKEL, MINING INDUSTRY, BUSINESS FIRMS
Control Number: n/a
Copy: SINGLE
Sent Date: 12-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
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Enclosure: n/a
Executive Order: N/A
Errors: N/A
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Original Classification: UNCLASSIFIED
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Retention: 0
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
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Secure: OPEN
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Subject: MAJOR PROJECTS; NICKEL AND COBALT PLANT
TAGS: EMIN, BEXP, IN
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